

ASRS Bill Tracker

ASRS Related Retirement Legislation – 47th legislature- Second Regular Session
(For Week Ending Friday, March 17, 2006)

ASRS Initiatives are in red.

BILLS	BILL STATUS	ADMINISTRATIVE COST	ACTUARIAL IMPACT
HB 2082 – ASRS; Benefit Election; Spousal Notification Sponsor: Konopnicki As Introduced: An ASRS member must notify their current spouse before naming or changing their beneficiary or contingent annuitant to someone other than their current spouse. Amended Language: If the member's contingent annuitant is the member's current spouse, the member shall notify the contingent annuitant before the member names a new contingent annuitant or before the member rescinds the election of a period certain and life annuity or again elects a period certain and life annuity.	Assigned: 1/10/06 Hse Rules, PIR, GRGFA Status: Hse First read 1/10 Second read 1/11 1/19 PIRC 1/23 PIRC DP 9-0 1/25 GRGFA Held 2/1 GRGFA DPA 5-0-0-2-0 2/21 Majority & Minority Caucus Y 2/21 C & P 9-0-0-0-0 3/1 COW DPA 3/2 Third read 3/3 Transmit to Senate 3/6 Fin, Rules 3/6 First read 3/7 Second read 3/16 Fin DP 9-0-0-0	As Introduced: None expected.	As Introduced: None expected.
HB 2101 – ASRS; Terminated Employees; Contribution Refunds Sponsor: McClure As Introduced: Any new hire within the Arizona State Retirement System whose employment is terminated will receive a return of the member's retirement contributions only. The compound interest accrued on contributions for both current and new employees is calculated with a rate determined by the Board. As Amended: On or after January 1, 2008	Assigned: 1/11/06 PIR, Approp B, Rules Status: 1/11 First read 1/12 Second read 2/6 PIR DP 7-0-0-2-0 2/14 Approps B DP 10-0-0-5-0 2/28 Rules 8-0-0-1-0 2/28 Majority & Minority Caucus Y 3/2 COW 3/7 COW DPA 3/9 Third read 3/10 Transmit to Senate Fin, Approps 3/13 First read 3/14 Second read	As Introduced: Bill includes \$104,000 appropriation. ASRS costs are estimated to be \$300,000.	As Introduced: Could save up to .125% for each member and each employer, if passed.

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HB 2103 – ASRS; Local Termination Incentive Program Sponsor: McClure As Introduced: Statutory provisions regarding the employer retirement incentive option is amended to replace the word “retirement” with the word “termination” in all cases.	Assigned: 1/10/06 Hse Rules, PIR Status: 2/1/06 PIR First read 2/2 Second read 2/13 PIR DP 8-0-0-1-0 2/28 Rules 2/28 Majority & Minority Caucus Y 2/28 Consent agenda 3/6 Transmit to Senate 3/6 First read 3/8 Fin 3/8 Second read 3/16 Fin DP 7-2-0-0	As Introduced: None expected.	As introduced: Could cost up to .23% for each member and each employer, if passed.
HB 2105 – ASRS; Investment Management Qualifications Sponsor: McClure Same as HB 2115 1. As Introduced: The requirement that investment management appointees have more than three years experience handling institutional investments of at least \$250 million is eliminated. Amended language: Not less than three years’ experience at handling institutional investments of at least two hundred fifty million dollars and not less than two hundred fifty million dollars currently under management. THIS SUBSECTION IS SATISFIED IF INVESTMENT MANAGEMENT OR THE INDIVIDUAL RETAINED BY INVESTMENT MANAGEMENT MEETS THIS REQUIREMENT.	Assigned: 1/17/06 PIRC, Gov Ref, Rules Status: Awaiting Hse Rules 1/18 Second read 1/23 PIR DP 9-0-0-0- 2/1 Gov Ref DP 5-0-0-2-0 2/7 Rules 9-0-0-0 2/7 Majority & Minority Caucus Y 2/10 Consent Calendar 2/13 Third read Failed the House 23-34 PIR 2/15 2/20 DPA 8-0-0-1-0 Now HB 2115 3/2 Rules C & P 3/6 Majority & Minority Caucus Y 3/9 COW DPA 3/13 Third read 54-6-0 3/14 Transmit to Senate 3/15 First read 3/16 Second read	As Introduced: None expected.	As Introduced: None expected.

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HB 2163 Retirement; ASRS; Credited Service Payment Sponsor: McClure Now: S/E/ASRS; An employee of a political subdivision of this state that enters into an agreement with the Arizona state retirement system to join the system may transfer assets from an existing retirement plan or program to pay the cost of transferred credited service if the employee agrees to forfeit all benefits under that retirement plan or program other than a lump sum return of the amounts that are contributed to or earned from that retirement plan or program and that are not needed for the purchase of the credited service. Sec. 2. <u>Delayed repeal</u> This act is repealed from and after December 31, 2006."	Assigned: 2/13 Striker 3/9/06 COW DPA 3/13 Third read 3/14 Transmit to Senate Fin, Rules 3/15 First read 3/16 Second read	As Introduced: To be determined.	As Introduced: To be determined.
HB 2335 – ASRS; Return to Work Sponsor: McClure Now: S/E ASRS; Continuation of Agency, The statutory life of the AZ State Retirement System Board and Director is extended 10 years to July 1, 2016. Retroactive to July 1, 2006. As Passed House.	Assigned: PIRC, Health and Rules Status: : 2/1/06 PIR First read 2/2 Second read 2/13 PIR striker 8-0-0-1 amend 3359 2/21 Majority & Minority Caucus Y 2/21 C & P 9-0-0-0-0 2/23 COW DPA 2/28 Third read 3/1 Sen first read Fin, Rules 3/1 First read 3/2 Second read	As Introduced: None expected.	As Introduced: None expected.

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HB 2340 - ASRS; Deferred Retirement; Repeal Sponsor: McClure As Introduced: ARS§ 38-748 relating to the ASRS Termination option is repealed. (Modified DROP)	Assigned: 1/17/06 Hse. PIRC, Gov Ref, Rules Status: 1/17 First read 1/18 Second read 1/30 PIR DP 8-0-0-1-0 2/8 GRGFA DP 7-0-0-0 2/14 C & P 9-0-0-0-0 2/14 Consent Agenda 2/20 Third read 2/21 Transmit to Senate 55-0 2/21 Fin, Rules 2/21 First read 2/28 Second read 3/2 Fin 9-0-0-0 3/6 Rules PFC 3/6 Consent Agenda 3/7 Majority & Minority Caucus 3/16 Third read 29-0-1	As Introduced: None expected.	As Introduced: DROP would add \$540 million in liability to ASRS; this equals an increase of .30% for each employee and each employer in the contribution rates.
SB 1167 - ASRS; Optional Forms Of Retirement Sponsor: Martin As Introduced: After benefits begin, a state retiree may exercise a one-time election to rescind the joint and survivor annuity option if the annuitant named originally dies or ceases to be contingent annuitant under the terms of a qualified domestic relations order. If no contingent annuitant survives the retiree, remaining payments go to the retiree's estate.	Assigned: 1/16/06 Fin, Approps, Rules Status: 1/16/06 First read 1/17 Second read 1/19 Fin, DP 7-0 2 0 2/14 Approp DP 7-1-3-0 2/20 PFC 2/21 Majority & Minority Caucus Y 2/21 Consent calendar 3/2 Third read 3/2 Transmit to House 19-10 3/6 assigned to Hse Fin, Approp B, Rules 3/6 First read 3/7 Second read 3/13 PIR 7-2-0-0-0 DP	As Introduced: \$75,000 to be appropriated.	As Introduced: Could save up to .36% for each member and each employer, if passed.

BILLS	BILL STATUS	ADMINISTRATIVE COST	ACTUARIAL IMPACT
<p>SB 1168 – ASRS; Federal Conforming Changes Sponsor: Martin As Introduced: Conforms state pension plans to federal changes in section 401 (a) (9) of the Internal Revenue Code and applies to employees called to military service, changing beneficiaries, an interest rate to be determined by the Board as of July 1, 2007 and determining required minimum distributions for years beginning Jan. 1, 2006.</p>	<p>Assigned: 1/16/06 Fin, Rules Status: 1/16/06 First read 1/17 Second read Fin 1/19 DP 7-0 2 0 1/23 Rules PFC 1/24 Majority & Minority Caucus Y 1/25 Consent calendar 1/31 Third read DP 1/31 Transmit to House 2/20 First read 2/20 PIR, Rules 2/21 Second read 2/27 PIR DPA 9-0-0-0</p>	<p>As Introduced: MDR – None expected USERRA – None expected Period Certain Beneficiary- None expected Interest Rate – Depends on implementation date. If 1/1/08 or later, none expected.</p> <p>Minimum implementation costs estimated to be \$600,000.</p>	<p>As Introduced: Cost savings from interest rate could save up to .001% for each member and each employer, if passed.</p>
<p>SB 1169 – ASRS; LTD Program; Offsets Sponsor: Martin As Introduced: Limitations are established for long-term disability benefits for disabilities that begin before or after July 1, 2006. Benefits are reduced by certain percentages based on the amount of Social Security disability benefits.</p>	<p>Assigned: 1/16/06 Fin, Rules Status: 1/16/06 First read 1/17 Second read Fin 1/19 DP 8-0 1 0 1/23 Rules PFC 1/24 Majority & Minority Caucus Y 1/25 Stricken from Consent calendar 2/2 COW amend 3175 2/8 Third read 2/9 Transmit to House 29-0-1-0 Y 2/20 First read 2/20 PIR, Rules 2/21 Second read 3/6 PIR held 3/13 PIR 6-3-0-0-0 DPA</p>	<p>As Introduced: None expected.</p>	<p>As Introduced: Could save up to .16% for each member and each employer, if passed.</p>
<p>Bills that are stalled or not heard in past 30 days. Last day to hear bills has been extended to March 30.</p>			

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HB 2104 – ASRS; Retiree Health Care Sponsor: McClure As Introduced: The list of eligible AHCCCS recipients expanded to include retired state employees.	Assigned: 1/17/06 Hse. Hel, Approp B, Rules Status: 1/10 Hse Rules 1/18 Second read Stalled	As Introduced: None expected.	As Introduced: None expected.
HB 2244 - Social Security Numbers; Government Requests Sponsor: Gray, Martin As Introduced: State and local governments (including school districts and community colleges) are prohibited from requiring people to provide their SS number on any form or registration unless otherwise required by law.	Assigned: 1/19/06 PIRC, Rules, Jud, com Status: 1/19 First read 1/23 Second read Stalled	As Introduced: To be determined.	As Introduced: None expected.
HB 2390 – ASRS; Retirees: Graded Multiplier Increase Sponsor: Pierce As Introduced: A one-time permanent, benefit increase to retirees or their beneficiaries of the Arizona State Retirement System. Amounts increase incrementally for 20, 25 and 30 years of service.	Assigned: 1/26/06 PIR, Rules Approps B Status: 1/26 First read 1/30 Second read Stalled	As Introduced: Similar Legislation in 2005 was estimated at \$651,400.	As Introduced: Increase of .13% points for each employee and each employer, if passed. Total annual cost to the State is \$2,363,839.
HB 2476 – State Retirees; Health Insurance Payments Sponsor: Konopnicki As Introduced: A provision is deleted from ARS§ 38-651.01 that states public funds shall not be expended to pay the insurance premium for a retired state employee except as authorized from a state retirement plan.	Assigned: 1/24/06 PIR, Rules Approp B Status: 1/24 First read 1/25 Second read 2/6 PIR DPA 8-0-1-0-0 Stalled	As Introduced: None expected. Doesn't affect the ASRS, only ADOA.	As Introduced: None expected.
HB 2604 - Treasurer's Risk Report - Technical Correction Sponsor: Boone As Introduced: Amending section 35-319, relating to State Treasurer Security Reports.	Assigned: 1/17/06 Hse Rules Status: 1/18/06 Second read Stalled	As Introduced: To be determined.	As Introduced: To be determined.
HB 2845 – ASRS; LTD Benefit Increase Sponsor: Garcia As Introduced: A permanent benefit increase of 3.5% is given to ASRS members who were eligible to receive long term disability benefits on or before June 30, 2005. An appropriation (blank in original) is made to the LTD trust fund from the general fund for the payment of the benefit increase. Retroactive to June 30, 2006. ARS Titles Affected: 41	Assigned: PIR, Approps P, Rules Status: 2/9/06 First read 2/13 Second read Stalled	As Introduced: VPA estimates that eligible file reviews and benefit determinations will cost \$100,000. (Per Contract)	As Introduced: \$13.6 million appropriation is needed to have no actuarial impact on the fund.

LEGEND

AMEND C&P	Constitutional and Proper as Amended by the House Rules Committee	HB	House Bill
APPROP	Appropriations Committee	HCR	House Concurrent Resolution
ARS	Arizona Revised Statutes	HHR	House Hearing Room
ASRS	Arizona State Retirement System	Hse.	House of Representatives
C&P	Constitutional and Proper	JUD	Judiciary Committee
CORP	Corrections Officer Retirement Plan	LTD	Long Term Disability
COW	Committee of the Whole	PFC	Proper for Consideration
DP	Do Pass	PFCA	Proper for Consideration as Amended by the Senate Rules Committee
DPA	Do Pass as Amended	PIRC	Public Institutions and Retirement Committee
EORP	Elected Officials' Retirement Plan	PSPRS	Public Safety Personnel Retirement System
FII	Financial Institutions and Insurance Committee	SB	Senate Bill
FIN	Finance Committee	S/E	Strike Everything Amendment
GF	General Fund	Sen.	Senate
GAR	Government Accountability and Reform Committee	SHR	Senate Hearing Room
GOV	Government Committee	WM	Ways and Means Committee

If you have questions relating to ASRS legislation, please contact
ASRS, Government Relations Officer
Shirley Gunther at (602) 240-2027 or via email at ShirleyG@azasrs.gov

The External Affairs Committee (EAC) meets the first Friday of each month at 10 a.m. in the 14th floor conference room,
ASRS, 3300 N. Central Ave, Phoenix, AZ 85012